

MELROSE WATER SUPPLY CORPORATION
12574 EAST STATE HWY 21, NACOGDOCHES, TX 75961
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MINUTES FOR REGULAR MEETING HELD
AUGUST 9, 2016

These are the minutes for August 9, 2016 Regular meeting of the Melrose Water Supply Corporation which was held at 6:00 p.m. at the Corporation's office in Melrose, Texas.

Board members present were Danny Harkness, Jay Smith, Lamar Horn, Susan Fountain, and Keith Millard.

Others present were: C.W. Wells, Jennifer King, Brandon Alvis, Wade Minter, Bill Wallace, Ms. Cordova and Linda Gilpatrick.

The board members present addressed the following:

Agenda Item 1: The meeting was called to order by President, Lamar Horn at 6:00 pm.

Agenda Item 2: Lamar Horn established there was a proper quorum present for the board to conduct business.

Agenda Item 3: Open Forum (Comments from the Public – limit of two minutes per person.)

Mrs. Linda Gilpatrick addressed the board about her concerns of people not being properly notified about boil water notices. She suggested signs at the beginning of the road that the boil notice is on.

Agenda Item 4: Discuss and possibly take action concerning Minutes from past meetings. Jay Smith made a motion to approve the minutes from July 2016. Danny Harkness seconded the motion. Motion was passed unanimously.

Agenda Item 5: Discuss and possibly take action concerning the status of accounts receivable and financial report for Melrose Water Supply Corporation concerning month of July 2016. Jay Smith made a motion to accept the status of accounts receivable and financial report for Melrose Water Supply Corporation concerning the month of July 2016. Keith Millard seconded the motion. Motion was passed unanimously.

Agenda Item 6: Discuss and possibly take action concerning Capital One Bank closing in Chireno October 21, 2016. Jay Smith made a motion to take no action. Susan Fountain seconded the motion. Motion was passed unanimously.

Agenda Item 7: Discuss and possibly take action regarding billing associated with meter #00000015 held by Mr. Bill Wallace. Jay Smith explained that the Deferred Payment Plan is the only option. Jay Smith made a motion to take no action. Danny Harkness seconded the motion. Motion was passed unanimously.

Agenda Item 8: Discuss and possibly take action on where to place the funds moved from Capital One in Chireno. The board discussed to have Jennifer King or C.W. Wells get interest rates from banks for Money Market Accounts. Jay Smith made a motion to table this item. Keith Millard seconded the motion. Motion was passed unanimously.

Agenda Item 9: Discuss and possibly take action on building fencing and gates in the back of Melrose Water office for security. C.W. Wells presented the board with quotes as follows:

- Doug Christian - \$4550 385' with 2 gates
- Green Care - \$3080
- Central Fence - \$3839.78 Standard gray fence
- Central Fence - \$5307.46 Black fence

C.W. Wells stated that this was a low priority item. That he would like to see the money spent on three clear views instead. Jay Smith made a motion to take no action on this item. Keith Millard seconded the motion. Motion was passed unanimously.

Agenda Item 10: Discuss and possibly take action on purchasing a lock for the goose neck trailer. C.W. Wells stated that this had already been purchased. Jay Smith made a motion to take no action. Keith Millard seconded the motion. Motion was passed unanimously.

Agenda Item 11: Receive report from Manager or his designee regarding overall systems operations. C.W. Wells reported on the following:

- ½ ton had some work on the front end
- trailer had cheap tires on it
- wells – operating properly
- CR 392 multiply hook ups
- Brandon – Class D Operator
- TCEQ – test near CR 350/ CR 353 at the farm RPZ test – passed
- RVS – Allocations

Agenda Item 12: Review monthly work orders and new customer listings. C.W. Wells reported that they had complete 91 work orders for the month of July 2016.

Agenda Item 13: Discuss and possibly take action regarding Melrose Water Supply Corporation tariff. C.W. Wells spoke with Chris Hughes, he will be speaking with Georgia to go over the tariff. Jay Smith made a motion to table this item. Keith Millard seconded the motion. Motion was passed unanimously.

Agenda Item 14: Discuss items for placement on next Meeting Agenda. Possible Items for September 2016 Board Meeting - Capital One Bank, Tariff and Change the meeting time from 6:00 pm to 6:30 pm.

Agenda Item 15: Adjourn. Jay Smith made a motion to adjourn. Danny Harkness seconded the motion. Motion carried unanimously.

Board President Signature

Member of Board Signature